

**ORDINANCE NO. \_\_\_\_\_, SERIES 2010**

**AN ORDINANCE AUTHORIZING THE MAKING OF FORGIVABLE LOANS, PURSUANT TO ORDINANCE NO. 54, SERIES 2009, TO LOUISVILLE METRO HOUSING AUTHORITY, NEW DIRECTIONS HOUSING CORPORATION, REBOUND, INC., AND RIVER CITY HOUSING, INC. FOR THE ACQUISITION, REHABILITATION, AND MARKETING OF PARCELS OF REAL PROPERTY LOCATED IN NEIGHBORHOOD STABILIZATION PROGRAM CENSUS TRACTS.**

Sponsored By: Councilwoman Cheri Bryant Hamilton

**WHEREAS**, Louisville/Jefferson County Metro Government (“Metro”) has received from the United States Department of Housing and Urban Development a Neighborhood Stabilization Program (“NSP”) grant; and

**WHEREAS**, Louisville Metro Housing Authority (“LMHA”) is a public body corporate and politic created pursuant to KRS Chapter 80 and is interested in assisting Metro in the implementation of the NSP; and

**WHEREAS**, New Directions Housing Corporation (“New Directions”), Rebound, Inc. (“Rebound”), and River City Housing, Inc. (“River City”), are all Kentucky non profit corporations who are also interested in assisting Metro in the implementation of the NSP; and

**WHEREAS**, Metro desires to enter into development agreements with the above mentioned entities, hereinafter referred to collectively as the “Developers”, and to lend the Developers a portion of the NSP grant proceeds to acquire NSP eligible properties located in NSP census tracts, and to rehabilitate and market said properties to NSP eligible homebuyers and tenants; and

**WHEREAS**, Metro will secure said loans to the Developers with a note and mortgage upon said properties until such time as the homes located upon the properties are rehabilitated and sold or rented to eligible homebuyers and tenants, at which time some portion or all of the loan on said property may be forgiven by Metro and the mortgage thereon released; and

**WHEREAS**, the aforementioned forgiveness may exceed the \$100,000.00 or the \$150,000.00 amounts contained in Ordinance 54, Series 2009 prohibiting such action without Council approval; and

**WHEREAS**, the Council has determined that making the forgivable loans to LMHA, New Directions, Rebound and River City are in furtherance of the NSP and the public purposes of Metro, and therefore should be authorized.

**NOW THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE LOUISVILLE/ JEFFERSON COUNTY METRO GOVERNMENT AS FOLLOWS:**

**Section 1.** That the forgivable loans to be made to LMHA, New Directions, Rebound and River City are hereby authorized, for the purposes described in the Whereas clauses above.

**Section 2.** That the Mayor and other officials and employees of Metro who are delegated the authority to act for the Mayor, are hereby authorized and directed to execute any and all necessary agreements, certifications, affidavits, releases, cancellations, satisfactions, modifications and other documents and to do and perform all necessary or convenient actions to carry out the purposes authorized by this Ordinance.

**SECTION 3.** This Ordinance shall take effect upon its passage and approval.

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KATHLEEN J. HERRON  
Metro Council Clerk

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THOMAS L. OWEN  
President of the Council

\_\_\_\_\_  
JERRY E. ABRAMSON  
Mayor

\_\_\_\_\_  
Approval Date

APPROVED AS TO FORM AND LEGALITY:

Michael J. O'Connell  
Jefferson County Attorney

By: \_\_\_\_\_  
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